

**UNITED STATES BANKRUPTCY COURT
for the Eastern District of Virginia
(Richmond Division)**

IN RE

CIRCUIT CITY STORES, INC., *et als*

Debtors

Case No. 08-35653-KRH
Chapter 11
Jointly Administered

APPLICATION for PAYMENT of FINES

The COUNTY of LOUDOUN, VIRGINIA ("the County"), by counsel, hereby applies for payment from the Debtors' estate of post-petition fines imposed on Debtors (the "Fine") as an administrative expense pursuant to 11 U.S.C. §503(b)(3)(C), 11 U.S.C. §1107 and U.S.C. §1108, and in support thereof states the following:

1. Debtors filed for relief under Chapter 11 of the U.S. Bankruptcy Code ("the Code") on November 10, 2008. On the same day, an Order Granting Joint Administration of Debtors' Related Cases was entered.
2. Debtors are debtors in possession authorized to operate business pursuant to 11 U.S.C. §1107 and U.S.C. §1108.
3. Circuit City Stores, Inc. does business within the County in a store located at 46301 Potomac Run Plaza, No. 120, Sterling, VA 20164 (the "Store").

4. Section 58.2-911 of the Code of Virginia (1950 as amended) states that “[a]ny locality may by ordinance regulate the installation and maintenance of alarm systems operated by alarm company operators...”. Pursuant thereto, the County enacted Chapter 655 of the Codified Ordinances of the County (the “Ordinance”) to regulate alarm systems within the County.

5. Section 655.01(b) of the Ordinance requires registration, establishes fees, provides for penalties for violations, establishes a system of administration, and sets conditions for suspension of law enforcement response or revocation of registration.” (emphasis added).

6. Section 15.2-1429 of the Code of Virginia provides that “[a]ny locality may prescribe fines and other punishments for violations of ordinances, which shall be enforced by proceedings as if such violations were misdemeanors...”. (emphasis added).

7. Section 655.08 (a) of the Ordinance provides that “[a]n alarm user shall be subject to fines, depending on the number of false alarms within a calendar year based upon the schedule set forth in Appendix A–Fines and Fees.” (emphasis added).

8. An Alarm User is defined in Section 655.02 of the Ordinance as “[a]ny person, who (which) has contracted for monitoring, repair, installation or maintenance service from an alarm installation company or monitoring company for an alarm system, or who (which) owns or operates an alarm system which is not monitored, maintained or repaired under contract.”

9. Section 3 of Appendix A of the Ordinance requires all alarm users to either pay the false alarm response fine imposed under Section 655.08 of the Ordinance or to appeal the imposition of such fine as provided in Section 655.11 of the Ordinance.

10. Section 5.1 of Appendix A of the Ordinance provides that “[a]ll fines and fees will be paid to the County of Loudoun and sent to the Treasurer’s Office ...”.

11. Circuit City Stores, Inc. is an alarm user in the County within the meaning of the Ordinance.

12. On October 22, 2008, the Loudoun County Sheriff’s Office imposed, by Invoice #98110 (the “Invoice”), a \$100 fine against Circuit City Stores, Inc. for a third time violation of the Ordinance during the 2008 calendar year (Exhibit “A”). Pursuant to the Invoice, the \$100 fine was due on or before November 22, 2008.

WHEREFORE, the County of Loudoun, Virginia, respectfully asks that this Court, after due consideration of this Application, approve the same and order the Debtors to timely pay the \$100 false alarm fine owed to the County; and for such other relief as may be appropriate.

The COUNTY of LOUDOUN, VIRGINIA
By counsel

JOHN R. ROBERTS
COUNTY ATTORNEY
By /s/ Belkys Escobar
Belkys Escobar (VSB #74866)
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CERTIFICATE OF MAILING

I certify that a copy of the foregoing Application for Payment of False Alarm Fine was served on December 15, 2008, by ELECTRONIC MAIL through the Court's electronic filing system or by FIRST CLASS MAIL to the parties indicated below:

Daniel F. Blanks
dblanksmcguirewoods.com
Counsel for Debtors

U.S. Trustee
W. Clarkson McDow, Jr.
701 E. Broad St., Suite 4304
Richmond, VA 23219

/s/ Belkys Escobar

Ref # 100137

Loudoun County Sheriff's Office
39 Catoctin Circle SE
Leesburg, VA 20175

Invoice Summary Statement

RESPONSIBLE PARTY	ALARMED LOCATION
ATTN: ALARM COORDINATOR 9950 MAYLAND DR # RICHMOND, VA 23233	CIRCUIT CITY (#3721) 46301 POTOMAC RUN PLZ # 120 STERLING, VA 20164

REGISTRATION #	BALANCE FORWARDED					
16473						
Invoice	Action Taken Case/Event No	Date Sent Incident Date	Charged	Appealed	Paid	Outstanding
98110	2008187688	10/22/2008	\$100.00	\$0.00	\$0.00	\$100.00
<div>#3721 #16473</div>						
Statement Total:						\$100.00

Please detach and return with your payment within 30 days.
PAYMENTS ARE APPLIED TO INVOICES IN ORIGINATION DATE ORDER.

Invoice 98110

Remit To Payable to: County of Loudoun
C/O Loudoun County Sheriff's Office, F.A.R.U.
PO Box 3232, Leesburg, VA 20177

From: Reg # 16473
ATTN: ALARM COORDINATOR
9950 MAYLAND DR #
RICHMOND, VA 23233

Location: CIRCUIT CITY (#3721)
46301 POTOMAC RUN PLZ # 120
STERLING, VA 20164

Statement Total \$100.00 PAYMENT _____
Ref. # 100137